

JENNIFER M. GRANHOLM  
GOVERNOR



STATE OF MICHIGAN  
**LIQUOR CONTROL COMMISSION**  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
DAVID C. HOLLISTER, DIRECTOR

NIDA R. SAMONA  
CHAIRPERSON

## **Bulletin 3068-17**

**DATE:** January 14, 2004  
**TO:** Authorized Distribution Agents  
**FROM:** Michigan Liquor Control Commission  
**SUBJECT:** Administrative Order

Be advised that, at its administrative meeting of January 13, 2004, the Michigan Liquor Control Commission issued the attached Order regarding weekly stock outage reports and adopted it as a business operating procedure, effective March 1, 2004.

Copies of the meeting minutes and the Order are attached.

If you have any questions please contact Jeff Jones at 517.322.1227.

Attachments

**ADMINISTRATIVE**

MEETING OF THE  
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, January 13, 2004  
Lansing – 10:12 a.m.

Present: Nida R. Samona, Chairperson  
Pat Gagliardi, Commissioner  
Judith M. Allen, Commissioner  
Kenneth Wozniak, Commission Aide  
Julie Wendt, Director of Licensing Division  
Rick Perkins, Director of Enforcement  
Division  
Nancy King, Director of Finance Division  
Steve Robinson, Finance Division  
Karen Hogan, Commission Aide

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The meeting was called to order by Chairperson Samona.

Steve Null, NWS Michigan, Inc., Director of Michigan Operations, entered the meeting.

MOVED BY COMMISSIONER ALLEN, SUPPORTED BY COMMISSIONER GAGLIARDI, AND UNANIMOUSLY CARRIED, that the minutes of the Commission Meeting of January 7, 2004, be approved as written and presented.

The Commission considered a proposed ADA case cost increase. After discussion, the matter was held for further consideration.

Discussion took place on a proposal to require stock outage reports by ADAs. After discussion, IT WAS MOVED BY COMMISSIONER GAGLIARDI, SUPPORTED BY COMMISSIONER ALLEN, AND UNANIMOUSLY CARRIED, that, in accordance with the provisions of Rule 436.1802(14) of the "Spirits" rules, the following instructions be adopted as a business operating procedure regarding stock outage reports:

Weekly stock outage reports shall be submitted to the Liquor Control Commission.

Stock outage information shall be accumulated on a statewide basis or

within the distribution area of the Authorized Distribution Agent.

All product codes scratched from orders must be reported, regardless of the number of bottles.

Actions and/or reasons for stock outages shall be reported for each product code.

Stock outage reports shall be compiled on a weekly (Monday through Friday) basis.

Weekly stock outage reports must be received by the Financial Management Division no later than Thursday of the subsequent week.

Weekly stock outage reports shall be transmitted to the Liquor Control Commission via electronic transmission or as directed by the Liquor Control Commission.

The effective date for submission of weekly stock outage reports is March 1, 2004.

Further, Mrs. King was directed to prepare a bulletin to notify authorized distribution agents of the above requirements.

**Mr. Null left the meeting.**

**Mr. Wozniak advised the Commission that Attorney General Opinion 7146 of January 8, 2004 finds that Rule 436.1313(1) of the "Advertising" rules to the extent it prohibits illuminated advertising of alcoholic beverages by certain retail licensees inside their retail establishments violates the First Amendment to the United States Constitution and article 1, section 5, of the Michigan Constitution. He stated that Brian Devlin, Director of the Office of Regulatory Reform, has advised that amendments to the rule to conform with the ruling will not require a public hearing. After discussion, IT WAS MOVED BY CHAIRPERSON SAMONA, SUPPORTED BY COMMISSIONERS GAGLIARDI AND ALLEN, that the Commission's Order of January 7, 2004 that a public hearing be scheduled on the proposed amendments to Rule 436.1313 as requested by the Michigan Licensed Beverage Association and the Michigan Beer and Wine Wholesalers Association, be rescinded; further, that Mr. Wozniak be directed to draft proposed amendments to Rule 436.1313 to conform with the January 8, 2004 Attorney General Opinion.**

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The meeting recessed at 11:10 a.m.

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Nida R. Samona  
Chairperson

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Karen Hogan  
Commission Aide

STATE OF MICHIGAN

DEPARTMENT OF LABOR AND ECONOMIC GROWTH  
LIQUOR CONTROL COMMISSION

General Wine & Liquor Company, Inc.  
373 Victor Avenue  
Highland Park, MI 48203

NWS Michigan, Inc.  
17550 Allen Road  
Brownstown, MI 48192

J. Lewis Cooper Co.  
Trans-Con, Inc.  
3101 Gulley Rd., Suite I  
Dearborn, MI 48124-4405

Chinese Import & Export Co.  
3508 Bristol  
Troy, MI 48083

Henry A. Fox Sales Company  
4494 36<sup>th</sup> Street SE  
Kentwood, MI 49512

Fabiano Bros., Inc.  
1219 N. Mission, PO Box 469  
Mt. Pleasant, MI 48804

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ADMINISTRATIVE ORDER

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Nida R. Samona, Chairperson

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Pat Gagliardi, Commissioner

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Judith M. Allen, Commissioner

January 13, 2004